

100-16  
LEGISLATIVE  
FACTS

20 July 1976

MEMORANDUM FOR: Addressees Below

FROM: General Counsel  
Legislative Counsel

SUBJECT: Revision of the National Security Act of 1947  
and the Central Intelligence Agency Act of 1949

1. In anticipation of a sweeping review of the CIA's charter legislation (National Security Act of 1947 and CIA Act of 1949) by the Senate Select Committee on Intelligence, the Office of General Counsel and the Office of Legislative Counsel have initiated a joint effort to pull together our thoughts about our basic statutory authorities and determine what legislative proposals we could recommend or support.

2. We request that the various components in your Directorate or Office review the statutory authorities on which they rely in performing their functions, with a view toward:

- a. identifying those areas where statutory authority should be supplemented;
- b. identifying those areas where existing statutory authority is superfluous;
- c. identifying those areas where some change in existing statute is desirable for one reason or another.

We are attempting to develop the best possible charter for the DCI, the Agency, and the IC staff in accord with E.O. 11905. But, of course, it must be one which is politically realistic and responsible. Your suggestions should reflect these considerations.

3. Please forward your suggestions to [REDACTED] in the Office of Legislative Counsel, [REDACTED] It would be helpful if we could have these suggestions by 11 August 1976.

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[REDACTED]

Anthony A. Lapham  
General Counsel

[REDACTED]

George L. Cary  
Legislative Counsel

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**Next 1 Page(s) In Document Exempt**

Approved For Release 2002/01/08 : CIA-RDP85-00759R000100050001-0

of Canadian crude. By this past summer, Canadian exports had dropped to the extent that allocation of light crude to second priority refiners was eliminated, with only a very small amount of heavy crude still going to them.

Meanwhile, though some progress has been made, the transportation systems necessary to provide first priority refiners with crude from other sources are still many months away. One of the short-term alternatives to help keep these refineries operating is a barrel-for-barrel exchange of oil with Canada, completely separate from the allocation program. The mechanics for delivery of the oil to Canada are being worked out. One system would utilize pipelines from the south which connect with the Lakehead pipeline into Canada, but there will be further discussions with Canada to best accommodate Canadian refineries as well.

An inhibiting factor in the exchange arrangement is the present duty on imports at the rate of 5 1/4 cents or 10 1/2 cents per barrel, depending on whether the crude is heavy or light. When the same type of oil in the same quantity is going over the border the other way, this should not be treated as imported oil adding to U.S. supply. The bill H.R. 5858 would eliminate the duty, and I would clarify that it applies only to crude oil which is exchanged for the same type of domestic oil, on which, of course, no duty is due, or foreign oil on which the duty has already been paid. In view of this, the Treasury Department states that passage of this bill will not result in any revenue loss. The Department of Commerce, the Federal Energy Administration (Department of Energy) and International Trade Commission voice no objections to enactment. The Senate passed the measure on September 15 as an amendment to H.R. 3259. I hope the House will approve it.

Mr. STEIGER. Mr. Speaker, I rise to speak in support of H.R. 5858 which was unanimously reported out of the Committee on Ways and Means.

H.R. 5858, introduced by our distinguished colleague AL QUIE, provides for the duty-free entry of Canadian petroleum so long as an equivalent amount of domestic or duty-paid foreign crude oil has been exported from the United States to Canada. Further, it provides for consultation by the Secretary of the Treasury with the Secretary of Commerce and the Administrator of the Federal Energy Administration before the issuance of rules or regulations implementing this measure.

In 1974 the Canadian Government announced its plan to gradually phaseout exports of Canadian crude oil to the United States over succeeding years. There are several U.S. refiners located near the Canadian border but inaccessible to pipelines from U.S. oil fields. These refiners which have become dependent upon Canadian crude oil might be forced to shut down unless they can continue to receive Canadian oil. To aid these refiners and their customers the Federal Energy Administration has encouraged crude oil exchanges between the United States and Canadian firms in which the necessary oil would be pro-

vided to northern refiners. In such exchanges Canadian oil exports would be exempt from Canadian export laws and under this bill Canadian oil would be given duty-free treatment upon entry into the United States.

H.R. 5858 was without opposition before the committee and has the full support of the administration. I would urge my colleagues to give it their support.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. VANIK) that the House suspend the rules and pass the bill H.R. 5858, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend the Tariff Schedules of the United States to provide for duty-free treatment with respect to certain petroleum imported from Canada if equivalent amounts of domestic or duty-paid foreign petroleum of the same type is exported to Canada."

A motion to reconsider was laid on the table.

#### CUSTOMS PROCEDURAL REFORM ACT OF 1977

Mr. VANIK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3149) to provide customs procedural reform, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3149

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.*

#### TITLE I—CUSTOMS PROCEDURAL REFORM

Sec. 101. This title may be cited as the "Customs Procedural Reform Act of 1977".

Sec. 102. Section 315(a) of the Tariff Act of 1930 (19 U.S.C. 1315(a)) is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "and"; and

(3) by adding at the end thereof the following new paragraph:

"(3) any article for which duties may, under section 505 of this Act, be paid at a time later than the time of making entry shall be subject to the rate or rates in effect at the time of entry."

Sec. 103. Section 484(a) of the Tariff Act of 1930 (19 U.S.C. 1484(a)) is amended—

(1) by amending subsection (a) to read as follows:

"(a) REQUIREMENT AND TIME.—(1) Except as provided in sections 490, 498, 552, 553, and 336(j) of this Act and in subsections (h) and (l) of this section, each consignee of imported merchandise, either in person or by an agent authorized by the consignee in writing—

"(A) shall make entry therefor by filing with the appropriate customs officer such documentation as is necessary to enable such officer to determine whether the merchandise may be released from customs custody; and

"(B) shall file (either at the time of entry or within such time thereafter as the Secretary may prescribe under paragraph (2)(B) of this subsection) with the appropriate customs officer such documentation as is necessary to enable such officer to assess

properly the duties on the merchandise, collect accurate statistics with respect to the merchandise, and determine whether any other applicable requirement of law (other than a requirement relating to release from customs custody) is met.

"(2)(A) The documentation required under paragraph (1) of this subsection with respect to any imported merchandise shall be filed at such place within the customs-collection district where the merchandise will be released from customs custody as the Secretary shall by regulation prescribe.

"(B) If the documentation required under paragraph (1)(B) of this subsection with respect to any imported merchandise is not filed with the appropriate customs officer when entry of the merchandise is made, such documentation shall be filed at such time within the ten-day period (exclusive of Sundays and holidays) immediately following the date of entry as the Secretary shall by regulation prescribe.

"(C) The Secretary, in prescribing regulations to carry out this paragraph, shall provide, to the maximum extent practicable, for the protection of the revenue, the timely collection of import statistics, the facilitation of the commerce of the United States, and the equal treatment of all consignees of imported merchandise."

(2) by striking out "subdivision" in subsection (c)(3) and inserting in lieu thereof "subsection"; and

(3) by striking out the second sentence in subsection (j).

Sec. 104. Section 505(a) of the Tariff Act of 1930 (19 U.S.C. 1505) is amended to read as follows:

"(a) DEPOSIT OF ESTIMATED DUTIES.—Unless merchandise is entered for warehouse or transportation, or under bond, the consignee shall deposit with the appropriate customs officer at the time of making entry, or at such later time as the Secretary may prescribe by regulation (but not to exceed thirty days after the date of entry), the amount of duties estimated by such customs officer to be payable thereon."

Sec. 105. The Tariff Act of 1930 is amended by inserting after section 507 the following new section:

#### "SEC. 508 RECORDKEEPING.

"(a) REQUIREMENTS.—Any owner, importer, consignee, or agent thereof who imports, or who knowingly causes to be imported, any merchandise into the customs territory of the United States shall make, keep, and render for examination and inspection such records, statements, declarations, and other documents which—

"(1) pertain to any such importation, or to the information contained in the documents required by this Act in connection with the entry of merchandise; and

"(2) are normally kept in the ordinary course of business.

"(b) PERIOD OF TIME.—The records required by subsection (a) of this section shall be kept for such periods of time, not to exceed 5 years from the date of entry, as the Secretary shall prescribe.

"(c) LIMITATION.—For the purpose of this section and section 509 of this Act, the phrase 'knowingly causes to be imported' does not include a domestic transaction between an importer and a person ordering merchandise from him, unless—

"(1) the terms and conditions of the importation are controlled by the person placing the order; or

"(2) technical data, molds, equipment, other production assistance, or material components or parts are furnished by a person placing the order with knowledge that they will be used in the manufacture or production of the imported merchandise.

Sec. 106. Section 509 of the Tariff Act of 1930 (19 U.S.C. 1509) is amended to read as follows:

October 17, 1977

Approved For Release 2002/01/08 : CIA-RDP85-00759R000100050001-0

H 11079

"SEC. 509. EXAMINATION OF BOOKS AND WITNESSES.

"(a) AUTHORITY.—In any investigation or inquiry conducted for the purpose of ascertaining the correctness of any entry, for determining the liability of any person for duty and taxes due or duties and taxes which may be due the United States, for determining liability for fines and penalties, or for insuring compliance with the laws of the United States administered by the United States Customs Service, the Secretary (but no delegate of the Secretary below the rank of district director or special agent in charge) may—

"(1) examine, or cause to be examined, upon reasonable notice of reasonable specificity, any record, statement, declaration or other document which may be relevant or material to such investigation or inquiry;

"(2) summon, upon reasonable notice—

"(A) the person who imported, or knowingly caused to be imported, merchandise into the customs territory of the United States;

"(B) any officer, employee, or agent of such person;

"(C) any person having possession, custody, or care of records relating to such importation, or

"(D) any other person he may deem proper, to appear before the appropriate customs officer at the time and place within the customs territory of the United States specified in the summons (except that no witness may be required to appear at any place more than one hundred miles distant from the place where he was served with the summons), to produce such records, statements, declarations and other documents required to be kept under section 508 of this Act, and to give such testimony, under oath, as may be relevant or material to such investigation or inquiry; and

"(3) take, or cause to be taken, such testimony of the person concerned, under oath, as may be relevant or material to such investigation or inquiry.

"(b) SERVICE OF SUMMONS.—A summons issued pursuant to this section may be served by any person designated in the summons to serve it. Service upon a natural person may be made by personal delivery of the summons to him. Service may be made upon a domestic or foreign corporation or upon a partnership or other unincorporated association which is subject to suit under a common name, by delivering the summons to an officer, or managing or general agent, or to any other agent authorized by appointment or by law to receive service of process. The certificate of service signed by the person serving the summons is prima facie evidence of the facts it states on the hearing of an application for the enforcement of the summons. When the summons requires the production of records, such records shall be described in the summons with reasonable certainty.

"(c) SPECIAL PROCEDURES FOR THIRD-PARTY SUMMONSES.—(1) For purposes of this subsection—

"(A) The term 'records' includes statements, declarations, or documents required to be kept under section 508 of this Act.

"(B) The term 'summons' means any summons issued under subsection (a) of this section which requires the production of records or the giving of testimony relating to records. Such term does not mean any summons issued to aid in the collection of the liability of any person against whom an assessment has been made or judgment rendered.

"(C) The term 'third-party recordkeeper' means—

"(i) any customhouse broker;

"(ii) any attorney; and

"(iii) any accountant.

CONGRESSIONAL RECORD—HOL

Approved For Release 2002/01/08 : CIA-RDP85-00759R000100050001-0

"(2) If—

"(A) any summons is served on any person who is a third-party recordkeeper; and

"(B) the summons requires the production of, or the giving of testimony relating to, any portion of records made or kept of the import transactions of any person (other than the person summoned) who is identified in the description of the records contained in such summons;

then notice of such summons shall be given to any persons so identified within a reasonable time before the day fixed in the summons as the day upon which such records are to be examined or testimony given. Such notice shall be accompanied by a copy of the summons which has been served and shall contain directions for staying compliance with the summons under paragraph (5)(B) of this subsection.

"(3) Any notice required under paragraph (2) of this subsection shall be sufficient if such notice is served in the manner provided in subsection (b) of this section upon the person entitled to notice, or is mailed by certified or registered mail to the last known address of such person, or, in the absence of a last known address, is left with the person summoned. If such notice is mailed, it shall be sufficient if mailed to the last known address of the person entitled to notice.

"(4) Paragraph (2) of this subsection shall not apply to any summons—

"(A) served on the person with respect to whose liability for duties or taxes the summons is issued, or any officer or employee of such person; or

"(B) to determine whether or not records of the important transactions of an identified person have been made or kept.

"(5) Notwithstanding any other law or rule of law, any person who is entitled to notice of a summons under paragraph (2) of this subsection shall have the right—

"(A) to intervene in any proceeding with respect to the enforcement of such summons under section 510 of this Act; and

"(B) to stay compliance with the summons if, not later than the day before the day fixed in the summons as the day upon which the records are to be examined or testimony given—

"(i) notice in writing is given to the person summoned not to comply with the summons; and

"(ii) a copy of such notice not to comply with the summons is mailed by registered or certified mail to such person and to such office as the Secretary may direct in the notice referred to in paragraph (2) of this subsection.

"(6) No examination of any records required to be produced under a summons as to which notice is required under paragraph (1) of this subsection may be made—

"(A) before the expiration of the period allowed for the notice not to comply under paragraph (5)(B) of this subsection, or

"(B) if the requirements of such paragraph (5)(B) have been met, except in accordance with an order issued by a court of competent jurisdiction authorizing examination of such records or with the consent of the person staying compliance.

"(7) The provisions of paragraphs (2) and (5) of this subsection shall not apply with respect to any summons if, upon petition by the Secretary, the court determines, on the basis of the facts and circumstances alleged, that there is reasonable cause to believe the giving of notice may lead to attempts to conceal, destroy, or alter records relevant to the examination, to prevent the communication of information from other persons through intimidation, bribery, or collusion, or to flee to avoid prosecution, testifying, or production of records".

SEC. 107. Section 510 of the Tariff Act of 1930 (19 U.S.C. 1510) is amended to read as follows:

"SEC. 510. JUDICIAL ENFORCEMENT.

"(a) ORDER OF COURT.—If any person summoned under section 509 of this Act neglects or refuses to appear, to testify, or to produce records, the district court of the United States for any district in which such person is found or resides or is doing business, upon application and after notice to any such person and hearing, shall have jurisdiction to issue an order requiring such person to appear and give testimony or appear and produce records, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(b) CONTEMPT.—Any person adjudged guilty of contempt for neglecting or refusing to obey a lawful summons issued under section 509 of this Act and for refusing to obey the order of the court may, for so long as the failure continues and in addition to the punishment imposed by the court, be prohibited from importing merchandise into the customs territory of the United States directly or indirectly or for his account, and the Secretary may instruct the appropriate customs officers to withhold delivery of merchandise imported directly or indirectly by him or for his account. If such failure continues for a period of one year from the date of such instruction such officer shall cause all merchandise held in customs custody pursuant to this provision to be sold at public auction or otherwise disposed of under the customs laws."

SEC. 108. Section 511 of the Tariff Act of 1930 (19 U.S.C. 1511) is repealed.

SEC. 109. Section 557 of the Tariff Act of 1930 (19 U.S.C. 1557) is amended by adding at the end thereof the following new subsection:

"(d) WITHDRAWAL BEFORE PAYMENT.—Merchandise may be withdrawn for consumption without the payment of the duty thereon if the consignee or transferee is permitted to pay duty at a later time pursuant to regulations prescribed by the Secretary under section 505 of this Act".

SEC. 110. Section 584 of the Tariff Act of 1930 (19 U.S.C. 1584) is amended—

(1) by inserting "or any person directly or indirectly responsible for any discrepancy between the merchandise and said manifest" immediately after "or the owner of such vessel or vehicle" each place it appears in the first sentence of the first undesignated paragraph of such section;

(2) by inserting "or any person directly or indirectly responsible for heroin, morphine, cocaine, isoncpaine, or opiate being in such merchandise" immediately after "or the owner of such vessel or vehicle" in the first sentence of the second undesignated paragraph of such section; and

(3) by inserting "or any person directly or indirectly responsible for smoking opium, opium prepared for smoking, or marijuanna being in such merchandise" immediately after "or the owner of such vessel or vehicle" in the second sentence of the second undesignated paragraph of such section.

SEC. 111. (a) Section 592 of the Tariff Act of 1930 (19 U.S.C. 1592) is amended to read as follows:

"SEC. 592. PENALTIES FOR FRAUD, GROSS NEGLIGENCE, AND NEGLIGENCE.

"(a) IN GENERAL.—Any consignor, seller, owner, importer, consignee, agent, or other person (hereinafter in this section referred to as a 'person') who by fraud, gross negligence, or negligence enters or introduces or attempts to enter or introduce any merchandise into the commerce of the United States by means of—

"(1) any invoice, declaration, affidavit, letter, paper, written or oral statement, or act which is material and false, or

"(2) any omission which is material, whether or not the United States is or may be liable for any such duty, or any other

Approved For Release 2002/01/08 : CIA-RDP85-00759R000100050001-0

October 17, 1977

H 11080

tion thereof, shall be subject to a monetary penalty as provided for in subsection (d). If the Secretary has reasonable cause to believe that such person is insolvent or beyond the jurisdiction of the United States or that seizure is otherwise essential to protect the revenue of the United States or to prevent the introduction of prohibited or restricted merchandise into the customs territory of the United States, such merchandise may be seized and, upon assessment of a monetary penalty, forfeited unless the monetary penalty is paid within the time specified by law. Within a reasonable time after any such seizure is made, the Secretary shall issue to the person concerned a written statement containing the reasons for the seizure. After seizure of merchandise under this subsection, the Secretary may, in the case of prohibited or restricted merchandise, and shall, in the case of any other merchandise, return such merchandise upon the deposit of security not to exceed the maximum monetary penalty which may be assessed under subsection (d).

"(b) NOTICE.—If the appropriate customs officer has reasonable cause to believe that there has been a violation of subsection (a) and determines that further proceedings are warranted, he shall issue to the person concerned a written notice of his intention to issue a claim for a monetary penalty. Such notice shall—

"(1) describe the merchandise;

"(2) set forth the details of the entry or introduction or the attempted entry or introduction;

"(3) specify all laws and regulations allegedly violated;

"(4) disclose all the material facts which establish the alleged violation;

"(5) state whether the alleged violation occurred as a result of fraud, gross negligence, or negligence;

"(6) state the estimated loss of lawful duties, if any, and, taking into account all circumstances, the amount of the proposed monetary penalty; and

"(7) inform such person that he shall have a reasonable opportunity to make representations, both oral and written, as to why a claim for a monetary penalty should not be issued in the amount stated.

No notice is required under this subsection for any violation of subsection (a) which is noncommercial in nature or for which the proposed penalty is \$1,000 or less.

"(c) VIOLATION.—After considering representations, if any, made by the person concerned pursuant to the notice issued under subsection (b), the appropriate customs officer shall determine whether any violation of subsection (a), as alleged in the notice, has occurred. If such officer determines that there was no violation, he shall promptly notify, in writing, the person to whom the notice was sent. If such officer determines that there was a violation, he shall issue a written claim to such person. The written claim shall specify all changes in the information provided under paragraphs (1) through (6) of subsection (b). Such person shall have a reasonable opportunity under section 618 of this Act to make representations, both oral and written, seeking remission or mitigation of the monetary penalty. At the conclusion of any proceeding under such section 618, the appropriate customs officer shall provide to the person concerned a written statement which sets forth the final determination and the findings of fact and conclusions of law on which such determination is based.

"(d) PENALTIES.—(1) The monetary penalty for a violation resulting from fraud shall not exceed the domestic value of the merchandise.

"(2) The monetary penalty resulting from gross negligence shall not exceed the lesser of the domestic value of the

merchandise which is the subject of the claim for such monetary penalty or four times the lawful duties of which the United States is or may be deprived. If such violation did not affect the assessment of duties, the monetary penalty shall not exceed 40 percent of the dutiable value.

"(3) The monetary penalty for a violation resulting from negligence shall not exceed the lesser of the domestic value of the merchandise which is the subject of the claim for such monetary penalty or two times the lawful duties of which the United States is or may be deprived. If such violation did not affect the assessment of duties, the monetary penalty shall not exceed 20 percent of the dutiable value.

"(4) Notwithstanding section 514 of this Act, if the United States has been deprived of lawful duties as a result of a violation of subsection (a), the appropriate customs officer shall require that such lawful duties be restored, whether or not a monetary penalty is assessed.

"(e) CLERICAL ERRORS.—Notwithstanding subsection (a), merchandise shall not be seized nor shall a monetary penalty be assessed for a violation resulting from clerical errors, or mistakes of fact, unless such errors or mistakes establish a pattern of negligent conduct.

"(f) PRIOR DISCLOSURE.—If the person concerned discloses the circumstances of a violation of subsection (a) before, or without knowledge of, the commencement of a formal investigation of such violation, with respect to such violation, merchandise shall not be seized and any monetary penalty to be assessed under subsection (d) shall not exceed—

"(1) if the violation resulted from fraud—

"(A) the amount of the lawful duties of which the United States is or may be deprived so long as such person tenders the unpaid amount of the lawful duties at the time of disclosure or within thirty days, or such longer period as the appropriate customs officer may provide, after notice by the appropriate customs officer of this calculation of such unpaid amount, or

"(B) if such violation did not affect the assessment of duties, 10 percent of the dutiable value; or

"(2) if the violation resulted from negligence or gross negligence, the interest (computed from the date of liquidation at the prevailing rate of interest applied under section 6621 of the Internal Revenue Code of 1954) on the amount of lawful duties of which the United States is or may be deprived so long as such person tenders the unpaid amount of the lawful duties at the time of disclosure or within thirty days, or such longer period as the appropriate customs officer may provide, after notice by the appropriate customs officer of this calculation of such unpaid amount.

The person asserting lack of knowledge of the commencement of a formal investigation has the burden of proof in establishing such lack of knowledge.

"(g) DISTRICT COURT.—Notwithstanding any other provision of law, in any proceeding in a United States district court commenced by the United States pursuant to section 604 of this Act for the recovery of any monetary penalty claimed under this section—

"(1) all issues, including the amount of the penalty, shall be tried de novo;

"(2) if the monetary penalty is based on fraud, the United States shall have the burden of proof to establish the alleged violation by clear and convincing evidence;

"(3) if the monetary penalty is based on gross negligence, the United States shall have the burden of proof to establish all the elements of the offense;

"(4) if the monetary penalty is based on negligence, the United States shall have the

burden of proof to establish the act or omission constituting the violation, and the alleged violator shall have the burden of proof that the act or omission did not occur as a result of negligence."

(b) Section 603 of the Tariff Act of 1930 (19 U.S.C. 1603) is amended by inserting "promptly" immediately after "to report".

(c) Section 613 of the Tariff Act of 1930 (19 U.S.C. 1613) is amended—

(1) by striking out "any" in the first sentence and inserting in lieu thereof "(a) Except as provided in subsection (b) of this section, any"; and

(2) by adding at the end thereof the following new subsection:

"(b) If merchandise is forfeited under section 592 of this Act, any proceeds from the sale thereof in excess of the monetary penalty finally assessed thereunder and the expenses and costs described in subsection (a) (1) and (2) of this subsection incurred in such sale shall be returned to the person against the penalty was assessed."

(d) Section 615 of the Tariff Act of 1930 (19 U.S.C. 1615) is amended by inserting "(other than those arising under section 592 of this Act)" immediately after "In all suits or actions".

(e) Section 621 of the Tariff Act of 1930 (19 U.S.C. 1621) is amended by inserting the following after "Provided, That": "in the case of an alleged violation of section 592 of this Act arising out of gross negligence or negligence, such suit or action shall not be instituted more than five years after the date the alleged violation was committed: Provided further, That".

(f) (1) The amendments made by subsections (a) through (d) of this section shall take effect with respect to proceedings commenced on or after the 90th day after the date of the enactment of this Act; except that section 592(g) of this Act (as added by subsection (a) of this section) shall take effect on such date of enactment.

(2) (A) The amendment made by subsection (c) shall apply with respect to alleged violations of section 592 of the Tariff Act of 1930 resulting from gross negligence or negligence which are committed on or after the date of the enactment of this Act.

(B) In the case of any alleged violation of such section 592 resulting from gross negligence or negligence which was committed before the date of the enactment of this Act and for which no suit or action for recovery was commenced before such date of enactment, no suit or action for recovery with respect to such alleged violation shall be instituted after—

(1) the closing date of the 5-year period beginning on the date on which the alleged violation was committed, or

(ii) the closing date of the 2-year period beginning on such date of enactment, whichever date later occurs, except that no such suit or action may be instituted after the date on which such suit or action would have been barred under section 621 of the Tariff Act of 1930 (as in effect on the day before such date of enactment).

Sec. 112. (a) Section 607 of the Tariff Act of 1930 (19 U.S.C. 1607) is amended by striking out "\$2,500" in the heading of such section and inserting in lieu thereof "\$10,000", and by striking out "\$2,500" in such section and inserting in lieu thereof "\$10,000".

(b) Section 610 of the Tariff Act of 1930 (19 U.S.C. 1610) is amended by striking out "\$2,500" in the heading of such section and inserting in lieu thereof "\$10,000"; and by striking out "\$2,500" in such section and inserting in lieu thereof "\$10,000".

(c) Section 612 of the Tariff Act of 1930 (19 U.S.C. 1612) is amended by striking out "\$2,000" each place it appears therein and inserting in lieu thereof "\$10,000".

October 17, 1977

Approved For Release 2002/01/08 : CIA-RDP85-00759R00100050001-0

H 11081

SEC. 113. The Tariff Act of 1930 is amended by inserting immediately after section 624 the following new section:

“SEC. 625. PUBLICATION OF RULINGS.

“Within 120 days after issuing any ruling under this Act with respect to any prospective customs transaction, the Secretary shall have such ruling published in the Customs Bulletin or shall otherwise make such ruling available for public inspection.”

SEC. 114. Section 641 of the Tariff Act of 1930 (19 U.S.C. 1641) is amended—

(1) by inserting after “governing the licensing” in the first sentence of subsection (a) the following: “; and renewal of licensing.”;

(2) by inserting after the third sentence in subsection (a) the following new sentences: “Three years after the date of the enactment of the Customs Procedural Reform Act of 1977, all licenses issued under this subsection before such date of enactment shall be subject to renewal. After such date of enactment, the Secretary of the Treasury shall only issue or renew licenses under this subsection which are valid for a period of three years after the date of their issuance or renewal. No license may be renewed unless the licensee make application therefor to the Secretary within the 90-day period occurring before the expiration date of the license.”

TITLE II—CUSTOMS SIMPLIFICATION

SEC. 201. This title may be cited as the “Customs Simplification Act of 1977”.

SEC. 202. (a) Section 11 of the Act of March 1, 1879 (19 U.S.C. 467) is amended to read as follows:

“SEC. 11. The Secretary of the Treasury may by regulation require such marks, brands and stamps or devices to be placed on any container including any receptacle, vessel, or form of package, bottle, tank, or pipeline used for holding, storing, transferring or conveying imported distilled spirits, wines and malt liquors as he deems necessary and proper in the administration of the Federal laws applicable to such imported distilled spirits, wines and malt liquors and may specify those marks, brands, and stamps or devices which the importer or owner shall place or have placed on containers. Any container of imported distilled spirits, wines, or malt liquors withdrawn from customs custody purporting to contain imported distilled spirits, wines, or malt liquors found without having thereon any mark, brand or stamp or device the Secretary of the Treasury may require, shall be with its contents, forfeited to the United States of America.”

(b) Section 5205(a)(2)(C) of the Internal Revenue Code of 1954 is amended to read as follows:

“(C) distilled spirits, lawfully withdrawn from bond, in immediate containers the sampling of which may be required (whether or not it is, in fact, required) under other provisions of internal revenue or customs law and regulations issued pursuant thereof.”.

(c) The Secretary may issue regulations authorized under the amendment made by subsection (a) at any time after the date of the enactment of this Act, but the amendment made by such subsection shall not take effect until the 60th day after the date on which such regulations are issued and shall not apply to other than merchandise which is entered, or withdrawn from warehouse, for consumption on or after such 60th day.

SEC. 203. (a) Schedule 8 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended as follows:

(1) Item 812.20 is amended by striking out “3 pounds” and inserting in lieu thereof “2 kilograms”, by striking out “1 quart” and inserting in lieu thereof “1 liter”, and by

striking out “300 cigarettes” and inserting in lieu thereof “200 cigarettes”.

(2) Item 812.25 is amended by striking out “(including not more than 1 wine gallon of alcoholic beverages and not more than 100 cigars)” and inserting in lieu thereof “(not including alcoholic beverages and cigarettes but including not more than 100 cigars)”.

(3) Item 812.40 is amended by inserting “(including not more than 4 liters of alcoholic beverages)” after “Not exceeding \$200 in value of articles”.

(4) The prefatory note to item 813.10 is amended by inserting the following before the colon at the end of such note: “(including American citizens who are residents of American Samoa, Guam, or the Virgin Islands of the United States)”.

(5) Item 813.30 is amended by striking out “1 quart” each place it appears and inserting in lieu thereof “1 liter”, by striking out “1 wine gallon” and inserting in lieu thereof “4 liters”, and by inserting “200 cigarettes and” before “100 cigars”.

(6) Item 813.31 is amended by striking out “\$100” wherever it appears, and inserting in lieu thereof “\$250”, and by striking out “\$200” and inserting in lieu thereof “\$500”.

(7) Item 814.00 is amended by striking out “3 pounds” and inserting in lieu thereof “2 kilograms” and by striking out “1 quart” and inserting in lieu thereof “1 liter”.

(8) Item 860.10 is amended by striking out “8 ounces” and inserting in lieu thereof “300 milliliters”, by striking out “4 ounces” and inserting in lieu thereof “150 milliliters”, and by striking out “2 ounces” and inserting in lieu thereof “100 milliliters”.

(9) Item 860.20 is amended by striking out “½ ounce” each place that it appears and inserting in lieu thereof “3.5 grams”.

(b) (1) The amendments made by this section with respect to metric conversion apply to merchandise entered on or after January 1, 1980.

(2) The amendments made by this section (other than those referred to in paragraph (1)) shall apply with respect to persons arriving in the United States on or after the 30th day after the date of the enactment of this Act.

SEC. 204. (a) Schedule 8 of the Tariff Schedules of the United States (19 U.S.C. 1202) is further amended by redesignating part 6 as part 7, by striking out “Part 6 headnote:” in part 7 (as so redesignated) and inserting in lieu thereof “Part 7 headnote:”; and by inserting after part 5 the following new part:

PART 6.—NONCOMMERCIAL IMPORTATIONS OF LIMITED VALUE

Part 6 headnote:  
1. For the purposes of this part the rates of duty for articles provided for in this part shall be assessed in lieu of any other rates of duty except free rates of duty on such articles, unless the Secretary of the Treasury or his delegate determines, in accordance with regulations, that the application of the rate of duty provided in this part to any article in lieu of the rate of duty otherwise applicable thereto adversely affects the economic interest of the United States.  
Articles for personal or household use, or as bona fide gifts, not imported for the account of another person.

PART 6.—NONCOMMERCIAL IMPORTATIONS OF LIMITED VALUE—Continued

869.00 Accompanying a person, arriving in the United States and valued in the aggregate (exclusive of duty-free articles) not over \$600 fair retail value in the country of acquisition, if such person has not received the benefits of this item (869.00) within the 30 days immediately preceding his arrival.

10% of the fair retail value of 5% of the fair retail value of such articles as have been acquired in American Samoa, Guam, or the Virgin Islands of the United States 10% of the fair retail value or 5% of the fair retail value of such articles as have been acquired in American Samoa, Guam, or the Virgin Islands of the United States

(b) The amendment made by this section shall apply to persons and articles arriving in the United States on or after the 30th day after the date of the enactment of this Act.

SEC. 205. Section 315(d) of the Tariff Act of 1930 (19 U.S.C. 1315(d)) is amended by striking out “weekly Treasury Decisions” and inserting in lieu thereof “Federal Register”.

SEC. 206. (a) Section 321(a)(1) of the Tariff Act of 1930 (19 U.S.C. 1321(a)(1)) is amended by striking out “\$3” and inserting in lieu thereof “\$10”, and by striking out “or” after “duties” wherever it appears and inserting in lieu thereof “and”.

(b) (1) Subparagraph (A) of section 321(a)(2) of the Tariff Act of 1930 (19 U.S.C. 1321(a)(2)) is amended by striking “\$10” and inserting in lieu thereof “\$25”, and by striking out “\$20” and inserting in lieu thereof “\$40”.

(2) Subparagraph (B) of such section 321(a)(2) is amended by striking “\$1” and inserting in lieu thereof “\$5”.

(3) Subparagraph (C) of such section 321(a)(2) is amended by striking “\$1” and inserting in lieu thereof “\$5”.

SEC. 207. Section 466(a) of the Tariff Act of 1930 (19 U.S.C. 1466(a)) is amended by striking out “; and if the owner or master” and all that follows thereafter down through the period at the end of the first sentence and inserting in lieu thereof the following: “. If the owner or master willfully or knowingly neglects or fails to report, make entry, and pay duties as herein required, or if he makes any false statement in respect of such purchases or repairs without reasonable cause to believe the truth of such statements, or aids or procures the making of any false statement as to any matter material thereto without reasonable cause to believe the truth of such statement, such vessel, or a monetary amount up to the value thereof as determined by the Secretary, to be recovered from the owner, shall be subject to seizure and forfeiture.”

SEC. 208. Section 483(1) of the Tariff Act of 1930 (19 U.S.C. 1483(1)) is amended—

(1) by inserting “or the holder of an air waybill” immediately after “bill of lading”;

(2) by adding “in the case of a bill of lading” immediately before “if consigned to order, by the consignor”; and

(3) by striking out the period at the end of the first sentence and inserting in lieu thereof the following: “; except that this section shall not apply in any way the rights

October 17, 1977

of the consignor, as prescribed by article 12 of the Warsaw Convention (49 Stat. 3017)."

SEC. 209. Section 491 of the Tariff Act of 1930 (19 U.S.C. 1491) is amended—

(1) by amending the section heading to read as follows:

"SEC. 491. UNCLAIMED MERCHANDISE; DISPOSITION OF FORFEITED DISTILLED SPIRITS, WINES AND BEER";

(2) by inserting "(a)" at the beginning of such section;

(3) by striking out "one year" wherever it appears therein and inserting in lieu thereof "six months"; and

(4) by adding at the end thereof the following new subsection:

"(b) All distilled spirits, wines, and beer forfeited to the Government summarily or by order of court, under any provision of law administered by the United States Customs Service, shall be appraised and disposed of by—

"(1) delivery to such Government agencies, as in the opinion of the Secretary have a need for such distilled spirits, wines, and beer for medical, scientific, or mechanical purposes, or for any other official purpose for which appropriated funds may be expended by a Government agency;

"(2) gifts to such eleemosynary institutions as, in the opinion of the Secretary, have a need for such distilled spirits, wines, and beer for medical purposes;

"(3) sale by appropriate customs officer at public auction under such regulations as the Secretary shall prescribe, except that before making any such sale the Secretary shall determine that no Government agency or eleemosynary institution has established a need for such spirits, wines, and beer under paragraph (1) or (2); or

"(4) destruction."

SEC. 210. (a) The Tariff Act of 1930 is amended by adding immediately after section 503 the following new section:

"SEC. 504. LIMITATION ON LIQUIDATION.

"(a) LIQUIDATION.—Except as provided in subsection (b), an entry of merchandise not liquidated within one year from:

"(1) the date of entry of such merchandise;

"(2) the date of the final withdrawal of all such merchandise covered by a warehouse entry; or

"(3) the date of withdrawal from warehouse of such merchandise for consumption where, pursuant to regulations issued under section 104 of this Act, duties may be deposited after the filing of an entry or withdrawal from warehouse;

shall be deemed liquidated at the rate of duty, value, quantity, and amount of duties asserted at the time of entry by the importer, his consignee, or agent. Notwithstanding section 500(e) of this Act, notice of liquidation need not be given of an entry deemed liquidated.

"(b) EXTENSION.—The Secretary may extend the period in which to liquidate an entry by giving notice of such extension to the importer, his consignee, or agent in such form and manner as the Secretary shall prescribe in regulations, if—

"(1) information needed for the proper appraisal or classification of the merchandise is not available to the appropriate customs officer;

"(2) liquidation is suspended or such extension is required by statute;

"(3) liquidation is suspended pursuant to court order; or

"(4) the importer, consignee, or his agent requests such extension and shows good cause therefor.

"(c) NOTICE OF SUSPENSION.—If the liquidation of any entry is suspended, the Secretary shall, by regulation, require that notice of such suspension be provided to the im-

porter or consignee concerned and to any authorized agent and surety of such importer or consignee.

"(d) LIMITATION.—Any entry of merchandise not liquidated at the expiration of four years from the applicable date specified in subsection (a) of this section, shall be deemed liquidated at the date of duty, value, quantity, and amount of duty asserted at the time of entry by the importer, his consignee, or agent, unless liquidation continues to be suspended pursuant to statute or court order. When such a suspension of liquidation is removed, the entry shall be liquidated within 90 days therefrom."

(b) The amendment made by this section applies to the entry or withdrawal of merchandise for consumption on or after 180 days after the enactment of this Act.

SEC. 211. Section 520(c)(1) of the Tariff Act of 1930 (19 U.S.C. 1520(c)(1)) is amended to read as follows:

"(1) a clerical error, mistake of fact, or other inadvertence not amounting to an error in the construction of a law, adverse to the importer and manifest from the record or established by documentary evidence, in any entry, liquidation, or other customs transaction, when the error, mistake, or inadvertence is brought to the attention of the appropriate customs officer within one year after the date of liquidation or exaction; or"

Sec. 212. (a) Section 526 of the Tariff Act of 1930 (19 U.S.C. 1526) is amended—

(1) by striking out "It" in subsection (a) and inserting in lieu thereof "Except as provided in subsection (d) of this section, it"; and

(2) by adding at the end thereof the following new subsection:

"(d) EXEMPTIONS.—(1) The trademark provisions of this section and section 42 of the Act of July 5, 1946 (60 Stat. 440; 15 U.S.C. 1124), do not apply to the importation of articles accompanying any person arriving in the United States when such articles are for his personal use and not for sale if (A) such articles are within the limits of types and quantities determined by the Secretary pursuant to paragraph (2) of this subsection, and (B) such person has not been granted an exemption under this subsection within thirty days immediately preceding his arrival.

"(2) The Secretary shall determine and publish in the Federal Register lists of the types of articles and the quantities of each which shall be entitled to the exemption provided by the subsection. In the determining such quantities of particular types of trademarked articles, the Secretary shall give such consideration as he deems necessary to the numbers of such articles usually purchased at retail for personal use.

"(3) If any article which has been exempted from the restrictions on importation of the trade-mark laws under this subsection is sold within one year after the date of importation, such article, or its value (to be recovered from the importer), is subject to forfeiture. A sale pursuant to a judicial order or in liquidation of the estate of a decedent is not subject to the provisions of this paragraph.

"(4) The Secretary may prescribe such rules and regulations as may be necessary to carry out the provisions of this subsection.

(b) Section 42 of the Act of July 5, 1946 (15 U.S.C. 1124), is amended by striking out "That" and inserting in lieu thereof "Except as provided in subsection (d) of section 526 of the Tariff Act of 1930".

SEC. 213. Section 599 of the Tariff Act of 1930 (19 U.S.C. 1599) is amended by inserting "(other than a yacht or other pleasure boat)" after "part, any vessel".

SEC. 214. The first sentence of section 27, Merchant Marine Act of 1920, as amended (46 U.S.C. 883), is further amended by striking

the word "thereof" where it first appears and by inserting in lieu thereof "of the merchandise (or a monetary amount up to the value thereof as determined by the Secretary of the Treasury to be recovered from any consignor, seller, owner, importer, consignee, agent, or other person or persons so transporting or causing said merchandise to be transported)".

Sec. 215. (a) Sections 2654, 4381, and 4383 of the Revised Statutes of the United States (19 U.S.C. 58 and 46 U.S.C. 329, 330, and 333) are each repealed.

(b) The amendments made by subsection (a) shall not be deemed to prohibit the Secretary of the Treasury from the fixing of fees, charges, or prices under the authority of section 501 of the Act of August 31, 1951 (65 Stat. 290; 31 U.S.C. 483a).

Sec. 216. Except as may be provided in the Tariff Schedules of the United States, no officer or employee of the United States (including any member of the uniformed services) is entitled, when returning to the United States from abroad—

(1) to admission free of duty without entry of his or her baggage and effects; or

(2) to expedited customs examination and clearance of his or her baggage and effects; unless such officer or employee—

(A) is seriously ill or infirm,

(B) has been summoned home by news of affliction or disaster, or

(C) is accompanying the body of a deceased relative.

For purposes of this section, the term "baggage and effects" means any article which was in the possession of the officer or employee while abroad and is being imported in connection with his or her arrival and is intended for his or her bona fide personal or household use. Such term does not include any article imported as an accommodation to others or for sale or other commercial use.

### TITLE III—CUSTOMS SERVICE APPROPRIATIONS AUTHORIZATION

Sec. 301. (a) For the fiscal year beginning October 1, 1979, and each fiscal year thereafter, there are authorized to be appropriated to the Department of the Treasury for the United States Customs Service only such sums as are authorized by subsection (b) or as may hereafter be authorized by law.

(b) There are authorized to be appropriated to the Department of the Treasury for the fiscal years beginning on October 1, 1979, and October 1, 1980, such sums as may be necessary for the United States Customs Service to carry out its functions.

### TITLE IV—SEPARABILITY OF PROVISIONS

Sec. 401. If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the provisions of this Act and the application of such provisions to other persons or circumstances, shall not be affected thereby.

The SPEAKER pro tempore. Is a second demanded?

Mr. FRENZEL. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Ohio (Mr. VANIK) will be recognized for 20 minutes, and the gentleman from Minnesota (Mr. FRENZEL) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Speaker, I yield myself such time as I may consume.

October 17, 1976

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H 11077

Senate Amendment

Section 4 authorizes employee suits for appropriate legal or equitable relief against any employer who discharges or otherwise discriminates against an employee who seeks to enforce the Act or cooperates with the Secretary in enforcing the Act.

Conference Agreement

The House receded.

RELIGIOUS OR NONPROFIT EDUCATIONAL CONFERENCE CENTERS

House Bill

No comparable provision.

Senate Amendment

Section 5 provides that employees of organized camps and religious or nonprofit educational conference centers operated on a seasonal basis receive a section 13(a) exemption from the minimum wage and overtime compensation requirements of the Act.

Conference Agreement

The House receded.

ISSUANCE OF CERTIFICATES FOR EMPLOYMENT OF STUDENTS AT SPECIAL MINIMUM WAGE

House Bill

No comparable provision.

Senate Amendment

Section 8(a) increases the number of students for whom certificates may be issued under section 14(b) upon employer certification from 4 to 6.

Section 8(b) permits a waiver of student hours of employment limitation upon a showing by employer that it would not have an adverse effect upon full-time employment.

Conference Agreement

The House receded to the Senate provision which increases the number of students for whom section 14(b) certificates can be issued upon employer certification from 4 to 6.

The Senate receded with regard to the waiver of limitation on student hours of employment.

REDUCTION OF PAPERWORK FOR EMPLOYMENT OF STUDENTS BY SMALL BUSINESS

House Bill

No comparable provision.

Senate Amendment

The Senate amendment contains an amendment to section 14 of the Act to require the Secretary of Labor to prepare and use simplified application forms for the issuance of special certificates for the employment of students. The purpose of the form is to reduce paperwork for small businesses and to encourage them to apply for such certificates.

Conference Agreement

The House receded.

CARL D. PERKINS,  
JOHN H. DENT,  
PHILLIP BURTON,  
JOSEPH M. GAYDOS,  
WILLIAM L. CLAY,  
MARIO BIAGGI,  
LEO C. ZEFERETTI,  
AL QUIE,

Managers on the Part of the House.

HARRISON A. WILLIAMS, Jr.,  
JENNINGS RANDOLPH,  
CLAIBORNE PELL,  
GAYLORD NELSON,  
WILLIAM D. HATHAWAY,  
DONALD W. RIEGLE, Jr.,  
JACOB K. JAVITS,  
RICHARD S. SCHWEIKER,  
ROBERT T. STAFFORD,

Managers on the Part of the Senate.

TARIFF SCHEDULE AMENDMENTS FOR CANADIAN PETROLEUM

Mr. VANIK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R.

5858) to amend the Tariff Schedules of the United States to permit the free entry of Canadian petroleum—including reconstituted crude petroleum—and crude shale oil, provided that an equivalent amount of the same kind and quality of domestic or duty-paid foreign crude petroleum—including reconstituted crude petroleum—and crude shale oil has been exported to Canada, as amended.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the headnotes to part 10 of schedule 4 of the Tariff Schedules of the United States (19 U.S.C. 1202) are amended by adding at the end thereof the following new headnote:*

"4. (a) For purposes of this headnote, the term 'petroleum' means crude petroleum (including reconstituted crude petroleum) or crude shale oil provided for in item 475.05 or 475.10.

"(b) Petroleum shall, if a product of Canada, be admitted free of duty and any entry therefor shall be liquidated or reliquidated accordingly if, on or before the 180th day after the date of entry, documentation is filed with the customs officer concerned establishing that, pursuant to a commercial exchange agreement between United States and Canadian refiners which has been approved by the Administrator of the Federal Energy Administration—

"(i) an import license for the petroleum covered by such entry has been issued by such Administrator; and

"(ii) an equivalent amount of domestic petroleum or duty-paid foreign petroleum has, pursuant to such commercial exchange agreement and to an export license issued by the Secretary of Commerce, been exported from the United States to Canada and has not previously been used to effect the duty-free entry of like Canadian products under this headnote.

"(c) The Secretary of the Treasury, after consulting with the Secretary of Commerce and the Administrator of the Federal Energy Administration, shall issue such rules or regulations as may be necessary governing the admission of Canadian products pursuant to the provisions of this headnote.

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of enactment of this Act pursuant to commercial exchange agreements referred to in headnote 4 of part 10 of schedule 4 of the Tariff Schedules of the United States (as added by such first section) which are effective for periods beginning on or after such date of enactment.

The SPEAKER pro tempore. Is a second demanded?

Mr. STEIGER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Ohio (Mr. VANIK) and the gentleman from Wisconsin (Mr. STEIGER) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Speaker, I yield myself such time as I may consume.

Mr. VANIK asked and was given permission to revise and extend his remarks.)

Mr. VANIK. Mr. Speaker, the purpose of the bill is to amend the Tariff Schedules of the United States to provide duty-free treatment for Canadian

crude petroleum if an equivalent amount of domestic or duty-paid foreign crude petroleum is exported to Canada pursuant to a crude petroleum exchange agreement between domestic and Canadian refiners.

In 1974, Canada announced its intention to phase out exports of crude oil to the United States over the next few years. Several domestic refiners located on the border, not near pipelines from alternative sources, may be forced to shut down unless a continued supply of Canadian crude can be obtained.

In June 1975, after discussions between the United States and Canada, an informal agreement was reached which permitted commercial exchanges between United States and Canadian refiners. As presently implemented, Canadian crude oil can be exported to the United States in excess of amounts otherwise exportable under the phaseout schedule provided an equivalent amount of domestic crude oil is exported to Canada.

To alleviate this problem the administration is encouraging crude oil exchanges. Such exchanges would provide the necessary oil to our northern tier oil refiners and would be exempt from Canada's export laws. To encourage these exchanges, the President removed the license fees on Canadian imports. The removal of the duty on these imports would also encourage these exchanges.

Public hearings were held by the Subcommittee on Trade of the Committee on Ways and Means on April 26, 27, and 28, 1977 on duty-free entry and temporary duty suspension bills. During these hearings, favorable testimony was received on H.R. 5858. Favorable reports were also received from interested executive branch agencies. No objections to the legislation have been received by the committee from any other source.

The committee was unanimous in reporting H.R. 5858, as amended, and I urge its passage.

Mr. STEIGER. Mr. Speaker, I yield myself such time as I may consume.

(Mr. STEIGER asked and was given permission to revise and extend his remarks.)

Mr. QUIE. Mr. Speaker, as many of my colleagues are aware, certain crude oil refineries in the upper midwest have been dependent on Canadian crude oil since they were built. Canada's policy of reducing crude oil exports, with probable complete cutoff by the end of 1980, forces the employment of alternatives to Canadian crude.

In my State of Minnesota, and I believe in other Northern Tier States, the local refineries provide a sizeable amount of the petroleum product used in these areas, particularly fuel oil. In Minnesota, hospitals, schools and other users of heavy-grade fuel oil depend on them. I don't have to tell you what that meant during the past winter.

The Federal Energy Administration early in 1976 inaugurated an allocation program to supply refineries whose access to crude oil was limited almost totally to pipelines coming from Canada, which are "historical priority" users, and to other refineries in a second priority category, who were historic purchasers

3 NOV 1977

NOTE FOR: Executive Officer, OL

STATINTL FROM: [REDACTED]  
Deputy Chief, Plans and Programs Staff, OL

Glenn:

I don't really understand why OLC sent this bill to OL for comment in the first place since it is obviously of primary interest to CPB. I called [REDACTED] and the same bill had been forwarded to him by SSA/DDA for comment. Of course, it is Sec. 216 which caused the concern, and I can see why (the wording is atrocious). [REDACTED] discussed the bill, particularly Sec. 216, with the U.S. Dispatch Agent in Baltimore. Both concluded that there has been no change in current procedures regarding customs entry of baggage and effects for Agency personnel. The key words in Sec. 216 are "without entry." According to the Dispatch Agent, this means simply that he must furnish the necessary paperwork to Customs; and as you know, he has done this forever.

STATINTL I called [REDACTED] in OLC re the above, and he requested only the one line reply on routing sheet attached.

STATINTL

[REDACTED]

Att

P&PS / RN  
Bill  
Thom [REDACTED]

STATINTL

[REDACTED]

STATINTL

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